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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-918

Steel Wire Garment Hangers from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce ("Department") is conducting the seventh administrative review of the antidumping duty order on steel wire garment hangers ("hangers") from the People's Republic of China ("PRC"). The Department preliminarily finds that subject merchandise was sold in the United States at prices below normal value during the period of review ("POR"), October 1, 2014, through September 30, 2015. If these preliminary results are adopted in our final results of review, we will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. We invite interested parties to comment on these preliminary results.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]

FOR FURTHER INFORMATION CONTACT: Jessica Weeks, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4877.

SUPPLEMENTARY INFORMATION:

Background

On October 1, 2015, the Department published a notice of “Opportunity to Request Administrative Review” of the antidumping order on steel wire garment hangers from the PRC.¹ In November 2015, the Department received multiple timely requests to conduct an administrative review of the antidumping duty order on steel wire garment hangers from the PRC.² Based upon these requests, on December 3, 2015, the Department published a notice of initiation of an administrative review (“AR”) of the Order covering the period October 1, 2014, to September 30, 2015.³ The Department initiated the administrative review with respect to 46 companies.⁴ On December 16, 2015, Petitioner withdrew its request for an administrative review on 44 companies.⁵ On June 2, 2016, the Department extended the period for issuing the preliminary results by 120 days.⁶ As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department exercised its discretion to toll deadlines because of the closure of the Federal Government.⁷ The preliminary results were extended by four business days.⁸ The revised deadline for the preliminary results is November 4, 2016.

¹ See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review, 80 FR 59135 (October 1, 2015).

² See Notice of Antidumping Duty Order: Steel Wire Garment Hangers From the People’s Republic of China, 73 FR 58111 (October 6, 2008) (“Order”).

³ See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 80 FR 75657 (December 3, 2015).

⁴ Id.

⁵ See Letter to the Secretary of Commerce from Petitioner “Seventh Administrative Review of Steel Wire Garment Hangers from China - Petitioner’s Withdrawal of Review Request” (December 16, 2015).

⁶ See Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations from Jessica Weeks “Steel Wire Garment Hangers from the People’s Republic of China (“PRC”): Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review” (June 2, 2016).

⁷ See Memorandum for the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, “Tolling of Administrative Deadlines as a Result of the Government Closure during Snowstorm ‘Jonas,’” (January 27, 2016).

⁸ Id.

Scope of the Order

The merchandise subject to the Order is steel wire garment hangers. The products are currently classifiable under the Harmonized Tariff Schedule of the United States (“HTSUS”) subheadings: 7326.20.0020, 7323.99.9060, and 7323.99.9080. Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description of the scope of the order remains dispositive.⁹

Separate Rates

The Department preliminarily determines that information¹⁰ placed on the record by Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd.¹¹ demonstrates that these companies are entitled to separate rate status. For additional information, see the Preliminary Decision Memorandum.

PRC-Wide Entity

The Department’s policy regarding conditional review of the PRC-wide entity applies to this administrative review.¹² Under this policy, the PRC-wide entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity.

⁹ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, regarding “Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review of Steel Wire Garment Hangers from the People’s Republic of China; 2014-2015,” dated concurrently with and hereby adopted by this notice, (“Preliminary Decision Memorandum”) for a complete description of the scope of the Order.

¹⁰ See Shanghai Wells’ Section A questionnaire response, dated January 5, 2016 at pages 2-10.

¹¹ In the first administrative review of the Order, the Department found that Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd. are a single entity and, because there were no changes to the facts that supported that decision since that determination was made, we continue to find that these companies are part of a single entity for this administrative review. See Steel Wire Garment Hangers From the People’s Republic of China: Preliminary Results and Preliminary Rescission, in Part, of the First Antidumping Duty Administrative Review, 75 FR 68758, 68761 (November 9, 2010), unchanged in First Administrative Review of Steel Wire Garment Hangers From the People’s Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review, 76 FR 27994, 27996 (May 13, 2011); see also Steel Wire Garment Hangers from the People’s Republic of China: Final Results of Antidumping Duty Administrative Review, 2013-2014, 80 FR 69942 (November 2, 2015).

¹² See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963 (November 4, 2013).

Because no party requested a review of the PRC-wide entity in this review, the entity is not under review and the entity's rate is not subject to change, (i.e., 187.25 percent).¹³

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended ("the Act"). The Department calculated constructed export prices and export prices in accordance with section 772 of the Act. Because the PRC is a nonmarket economy ("NME") within the meaning of section 771(18) of the Act, normal value is calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum. A list of the topics included in the Preliminary Decision Memorandum is included as an appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at <https://access.trade.gov> and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum is available at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margin exists for the POR from October 1, 2014, through September 30, 2015:

¹³ See Steel Wire Garment Hangers from the People's Republic of China: Final Results of Antidumping Duty Administrative Review, 2012-2013, 80 FR 13332, and accompanying Issues and Decision Memorandum (March 13, 2015) ("5th AR Hangers Final Results").

Exporter	Weighted-Average Dumping Margin (percent)
Shanghai Wells Hanger Co., Ltd./Hong Kong Wells Ltd. ¹⁴	49.40

Disclosure, Public Comment and Opportunity to Request a Hearing

The Department intends to disclose the calculations used in our analysis to parties in this review within five days of the date of any public announcement of this notice in accordance with 19 CFR 351.224(b).

Interested parties may submit case briefs within 30 days after the date of publication of these preliminary results of review in the Federal Register.¹⁵ Rebuttals to case briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the time limit for filing case briefs.¹⁶ Parties who submit arguments are requested to submit with the argument: (a) a statement of the issue (b) a brief summary of the argument, and (c) a table of authorities.¹⁷ Parties submitting briefs should do so pursuant to the Department's electronic filing system, ACCESS.¹⁸

Any interested party may request a hearing within 30 days of publication of this notice.¹⁹ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.²⁰ Parties requesting a hearing

¹⁴ As previously stated, we continue to find Shanghai Wells Hanger Co., Ltd. and Hong Kong Wells Ltd. (collectively "Shanghai Wells") to be a single entity.

¹⁵ See 19 CFR 351.309(c)(1)(ii).

¹⁶ See 19 CFR 351.309(d)(1)-(2).

¹⁷ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁸ See 19 CFR 351.303 (for general filing requirements).

¹⁹ See 19 CFR 351.310(c).

²⁰ Id.

should do so pursuant to the Department's electronic filing system, ACCESS.²¹ If a party requests a hearing, the Department will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230, at a time and location to be determined.²²

Unless otherwise extended, the Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in parties' case briefs, within 120 days of publication of these preliminary results in the Federal Register, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b), the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review.

For any individually examined respondent whose weighted-average dumping margin is above the de minimis threshold (i.e., 0.50 percent), the Department will calculate importer-specific ad valorem assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of sales. Where either the respondent's weighted-average dumping margin is zero or de minimis, or an importer-specific ad valorem assessment rate is zero or de minimis, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

In these preliminary results, the Department applied the assessment rate calculation method adopted in Final Modification for Reviews, i.e., on the basis of monthly average-to-

²¹ See 19 CFR 351.303 (for general filing requirements).

²² See 19 CFR 351.310(d).

average comparisons using only the transactions associated with that importer with offsets being provided for non-dumped comparisons.²³

Pursuant to a refinement in the Department's NME practice, for sales that were not reported in the U.S. sales data submitted by companies individually examined during this review, the Department will instruct CBP to liquidate entries associated with those sales at the rate for the PRC-wide entity. In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (i.e., at that exporter's cash deposit rate) will be liquidated at the rate for the PRC-wide entity.²⁴

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) For the company listed above, the cash deposit rate will be established in the final results of this review (except, if the rate is zero or de minimis, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recently completed segment of this proceeding in which they were reviewed; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be equal to the weighted-average dumping margin for the PRC-wide entity (i.e., 187.25 percent); and (4) for all

²³ See Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification, 77 FR 8101, 8103 (February 14, 2012) ("Final Modification for Reviews").

²⁴ For a full discussion of this practice, see Assessment Practice Refinement, 76 FR at 65694 (October 24, 2011).

non-PRC exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This administrative review and notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4) and 19 CFR 351.213.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

November 4, 2016_____
Date

Attachment

List of Topics Discussed in the Preliminary Decision Memorandum:

1. Summary
2. Background
3. Scope of the Order
4. Discussion of the Methodology
 - a. NME Country Status
 - b. Separate Rates
 - c. Separate Rates Recipients- Wholly Foreign Owned
 - d. Surrogate Country and Surrogate Value Data
 - e. Surrogate Country
 - f. Date of Sale
 - g. Comparisons to Normal Value
 - h. Results of Differential Pricing Analysis
 - i. U.S. Price
 - j. Value-Added Tax
 - k. Normal Value
 - l. Factor Valuation Methodology
 - m. Currency Conversion
5. Conclusion

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